GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1051
ANSWERED ON:28.07.2000
EXPORT OF IRON ORE BY MMTC
UMMAREDDY VENKATESWARLU

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantum of iron ore exported by MMTC during the last three years, particularly through Visakapatnam port of Andhra Pradesh;

(b) whether the MMTC has set up a steel plant in Orissa;

(c) if so, the details thereof;

(d) the benefits likely to be accrued to MMTC by setting up of this plant;

(e) whether MMTC has not done any survey of the excess steel making capacity in the country; and

(f) if so, the reasons for low project assessment by MMTC?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) The quantum of iron ore exports by MMTC, including exports through Visakhapatnam Port of Andhra Pradesh, is as follows:

(Qty: Lakh Tonnes)

	1997-98	1998-99	1999-2000(Prov.)
Total Iron Ore Exports	114.53	103.22	116.14
Iron Ore Exports through Visakhapatnam	37.57	37.94	38.10

(b) to (d) An iron & steel plant is being set up by Neelachal Ispat Nigam Ltd. (NINL) at Duburi in the State of Orissa. The plant is promoted jointly by MMTC Ltd. and Industrial Promotion & Investment Corporation of Orissa Ltd. (IPICOL), a Government of Oriss undertaking. The annual capacity of the plant is expected to be around 1.1 million tonnes of hot metal. MMTC will earn high value addition for its Iron ore by selling pig iron, billets and wire rods with a captive supply base for the marketing of these products in the domestic and international market. The project will also generate employment opportunities in the sector.

(e) & (f) The market analysis of the product mix was carried out by Metallurgical and Engineering Consultants India Ltd. (MECON), the consultant for the project, and was duly validated by the Financial Institutions funding the project. MECON appraised the project keeping the steel making capacity of the country in view.